



**CFA Institute**  
**2007 Member Compensation Survey**

**Major Findings: Canada**



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## **Introduction, Methodology, and Compensation Calculation**



## Introduction

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The 2007 Member Compensation Survey is designed to provide CFA Institute members with compensation information to help with career assessment and planning. The self-reported data included in this report covers broadly defined positions and, as such, provide members with useful directional frames of reference about pay levels.

It should also be noted that because the survey includes only data from a sample of CFA Institute members, it is not necessarily representative of the full CFA Institute membership or the total population of individuals in these positions.

CFA Institute members continually express the value they derive from the compensation survey. The priority for the 2007 Member Compensation Survey was, therefore, to thoroughly review the survey instrument, methodology, and reporting practices both internally and with outside experts. The goal of this review was to enhance the rigor of the entire survey process and improve the validity and precision of the compensation data provided to members this year and in years to come. To accomplish this objective, CFA Institute worked collaboratively with two independent parties to blend their unbiased analysis and subject matter expertise. CFA Institute commissioned Harris Interactive, an independent global market research firm, to lead the 2007 Member Compensation Survey research process. Additionally, AON Corporation contributed to the design of the survey instrument and to the design and interpretation of the data reports.

Significant enhancements were made to improve the quality of the findings in 2007. In summary, the following changes were made:

1. The data were standardized to the extent possible by not including data that might distort the compensation results. This was accomplished by including only:
  - Individuals who were employed on a full-time basis throughout 2006.
  - Individuals who were **not** covered under expatriate pay arrangements in 2006.
  - Individuals who were in the same position at the same company for the whole of 2006.
2. The organizations and occupations tracked in reporting have been more precisely defined to provide greater consistency.
3. The total number of questions was limited to reduce respondent fatigue and maintain or improve response rates.
4. The questions included in the compensation calculation were reengineered to more accurately capture the appropriate pay elements to calculate total compensation.
5. All compensation data points were reviewed to confirm validity for inclusion in the calculation.

Because of the extensive changes made to the survey instrument in 2007, it is **not possible to make accurate comparisons with past survey data**. However, we believe these changes significantly improve the quality of the compensation data reported, and the 2007 survey will be a strong benchmark for future comparisons.



## Methodology

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CFA Institute commissioned Harris Interactive, an independent global market research firm, to conduct the 2007 Member Compensation Survey. Additionally, AON Corporation contributed to the design of the survey instrument and to the design and interpretation of the data reports.

The Member Compensation Survey was conducted online from 30 April through 29 May 2007. CFA Institute sent invitations to participate via e-mail, followed by two reminder e-mails. Each e-mail contained a link to the survey housed on a secure website managed by Harris Interactive. The survey took seven minutes, on average, to complete.

CFA Institute members in Canada – 10,613 members in total – were invited via e-mail to participate in the survey<sup>1</sup>. A total of 2,213 members responded to the survey, and 2,079 members are included in this report, representing 20 percent of the CFA Institute membership in Canada.

### *A note about reporting*

The following sample size thresholds were implemented in reporting the data:

- The text reports display results for sample sizes of 10 respondents or more.
- The online searchable database displays results for sample sizes of 5 respondents or more.
- Low- and high-quartile data are displayed for sample sizes of 10 respondents or more.

These thresholds were set in order to provide members with the greatest amount of information while still protecting the confidentiality of individual responses. The sample sizes for some of the reported data are quite small. Care should be taken when interpreting the data based on small sample sizes, as the results may not be representative of the total audience.

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<sup>1</sup> Sample based on CFA Institute members in Canada with a valid e-mail address as of April 2007. Members requesting not to receive e-mail or survey communications from CFA Institute were excluded.



## Compensation Calculation

Members were allowed to provide their compensation information in their currency of choice. All compensation data were then converted to both Canadian dollars and U.S. dollars. **The data presented in this report are in Canadian dollars.** At the end of the report, a summary of the data is provided in U.S. dollars. The exchange rate used was the average of the daily average Interbank Rate for the period 1 January 2006 through 31 December 2006 as reported on [www.oanda.com](http://www.oanda.com). The compensation categories are defined as follows:

Base salary	The median of the annual base salary, determined by multiplying one's monthly salary as of 1 March 2007 by 12. As applicable, this <i>includes</i> fixed bonuses and/or other payments that are part of one's annual salary and <i>excludes</i> year-end cash bonuses.
Cash bonus	Median total cash bonus awarded for 2006 performance. This <i>includes</i> all cash payments related to the 2006 performance year, including commission payments, and <i>excludes</i> prior year deferrals paid out in 2006, long-term incentive grants, and pension and other retirement funds. <b>Note:</b> Only those eligible for a cash bonus in 2006 are included in the cash bonus calculation.
Total cash compensation	Total cash compensation was first calculated for each individual respondent by summing 2007 base salary and cash bonus awarded for 2006 performance. Median total cash compensation was then calculated for the full sample. Therefore, median total cash compensation will not necessarily equal the sum of the median base salary and median cash bonus.
Total compensation	Total compensation was first calculated for each individual respondent by summing base salary, cash bonus awarded for 2006 performance, and long-term incentives awarded for the 2006 performance year*. Median total compensation was then calculated for the full sample. Due to the small number of respondents who were awarded long-term incentives for the 2006 performance year, total compensation is the same as total cash compensation in some cases.
Low quartile / high quartile	Total compensation at the 25 <sup>th</sup> percentile and 75 <sup>th</sup> percentile.
N	Number of qualified survey respondents included in the reported data.

\* Long-term incentives include the expected cash equivalent value of share options, restricted shares, and other long-term incentives granted for 2006 performance. This *includes* the portion of 2006 cash bonus mandatorily deferred, phantom shares, performance units, and investment partnership payments and *excludes* pension and other retirement funds.

**Note:** In order to calculate the most accurate cash bonus and long-term incentive figures for the 2006 performance year, the data exclude members who were not in the same position at the same company for the whole of 2006. The data do include members who may have changed their position and/or company during January through May 2007, which is reflected in the reported 2007 base salary.



## **Respondent Profile**



## Respondent Profile

Below is a summary of the demographic profile of the 2,079 CFA Institute members included in this report. It is important to keep in mind the profile of these respondents when reviewing the compensation results, as the group responding is not necessarily representative of the full CFA Institute membership in Canada or the total population of investment professionals in Canada.

<b>Canada Respondent Profile</b>			
<b>Years of Experience</b>			
Less than 2 years	4%		
2 years to less than 5 years	24		
5 years to less than 10 years	37		
10 years to less than 20 years	27		
20 years or more	7		
<b>Advanced Degrees</b>			
MBA or equivalent	31%		
Masters' degree or equivalent	16		
PhD or equivalent	1		
None of the above	54		
<b>Charterholder Status</b>			
Charterholder	89%		
Candidate	11		
Other/unknown	1		
<b>Organization Type</b>			
Investment management firm	34%		
Investment bank, commercial bank, brokerage firm	30		
Consulting, accounting, law firm	5		
Government agency/department	5		
Insurance company	5		
Corporate plan sponsor	4		
Hedge fund or fund of hedge funds	1		
Educational institution	1		
Family office	1		
Endowment, foundation	1		
Rating agency	<1		
Other	12		
<b>Assets under Management (executives and buy side only)</b>			
Under \$567.3 million	16%		
\$567.3 million to less than \$2.3 billion	12		
\$2.3 billion to less than \$11.3 billion	25		
\$11.3 billion to less than \$56.7 billion	24		
\$56.7 billion to less than \$113.5 billion	12		
\$113.5 billion or more	11		



## Respondent Profile

Canada Respondent Profile					
Occupations	%	N	Occupations	%	N
Chief executive officer	1	31	Financial advisor/broker	4	81
Chief administrative officer/chief operating officer	<1	10	Private banker	1	16
Chief financial officer	2	36	Investment banker	4	88
Chief investment officer	2	44	Sell-side research analyst (equity)	4	86
Head of equities	<1	9	Sell-side research analyst (fixed income)	<1	8
Head of fixed income	1	16	Sell-side trader (equity)	1	18
Portfolio manager (equities)	4	82	Sell-side trader (fixed income)	1	20
Portfolio manager (fixed income)	3	54	Sell-side sales (equity)	1	25
Portfolio manager (quantitative)	1	20	Sell-side sales (fixed income)	1	17
Portfolio manager (indexed/other)	9	191	Performance analyst	1	21
Buy-side research analyst (equity)	5	97	Risk manager	3	52
Buy-side research analyst (fixed income)	1	22	Private client professional (other)	2	36
Buy-side research analyst (quantitative)	1	20	Accountant/auditor	4	87
Buy-side research analyst (other)	<1	3	Actuary	2	39
Buy-side trader (equity)	1	11	Consultant	6	121
Buy-side trader (fixed income)	1	12	Credit analyst (rating)	2	36
Buy-side trader (other)	<1	2	Professor/lecturer	1	12
Institutional sales representative/relationship manager	1	16	Regulator	1	21
Wholesale/intermediary sales representative	<1	6			
Marketing manager	<1	4			
Strategist	<1	10			
Manager of managers	2	32			



## **Research Findings**



## **Reported Compensation in Canada**

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This report includes selected results from the 2007 CFA Institute Member Compensation Survey. CFA Institute members can access the full dataset through an online searchable database located on the CFA Institute website:

<http://www.cfainstitute.org/memresources/private/surveys/index.html>.

The online searchable database contains all of the compensation results organized by country, select metropolitan areas, currency, organization type, and occupation where sample sizes permit. When looking at any aggregate totals, one should remember that several factors contribute to differences in compensation, including position, years of experience, size of organization, type of organization, and country. In many countries, limited sample sizes do not allow us to present a full cross-tabulation of all variables. To protect respondent confidentiality, results are only provided for sample sizes of five respondents or more. In this report, results are only shown for sample sizes of 10 respondents or more.

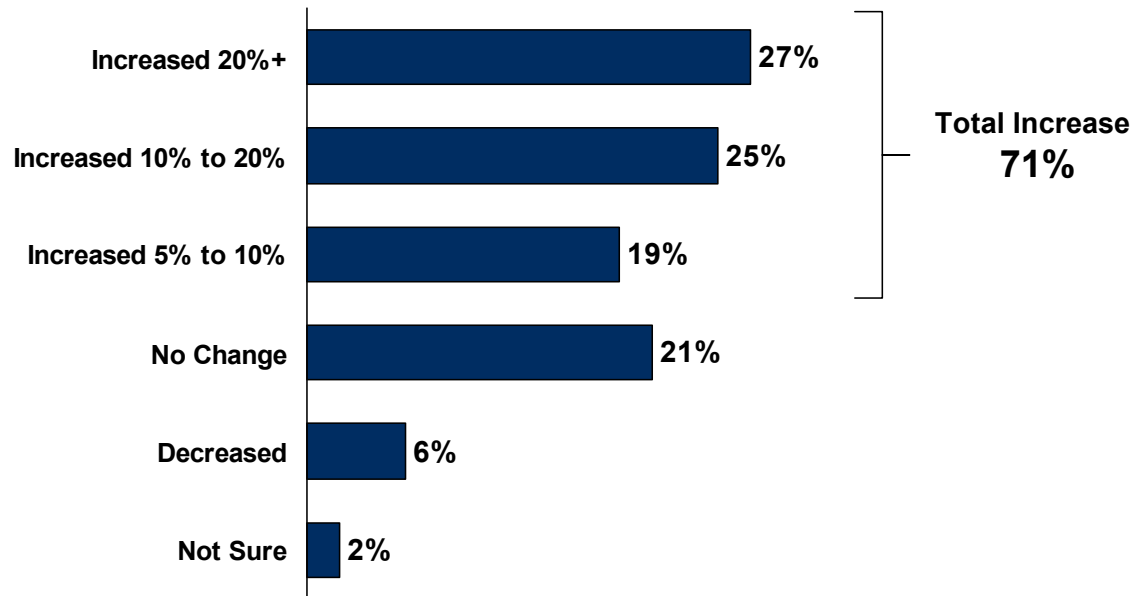
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Most respondents (71 percent) report that their total compensation increased from 2005 to 2006; 27 percent said their compensation increased by 20 percent or more, and 25 percent said the increase was between 10 and 20 percent. Twenty-one percent of respondents saw no change in compensation between the two years, and 6 percent said their total compensation decreased.

Most respondents (90 percent) were eligible for a cash bonus in 2006. What is the largest determinant of cash bonus? Almost half (47 percent) of respondents said their bonus is primarily tied to their individual performance – investment performance, financial contribution, or other individual factors. Twenty-six percent said overall firm performance is most important, and another 26 percent said bonus is driven by business unit/division performance.

While most respondents were eligible for a cash bonus in 2006, less than one-third (31 percent) were awarded long-term incentives. One-third (35 percent) of those who were awarded long-term incentives received restricted shares, one-quarter (24 percent) received stock options, and 41 percent received other incentives such as mandatory deferred cash, phantom shares, performance units, and investment partnership payments.

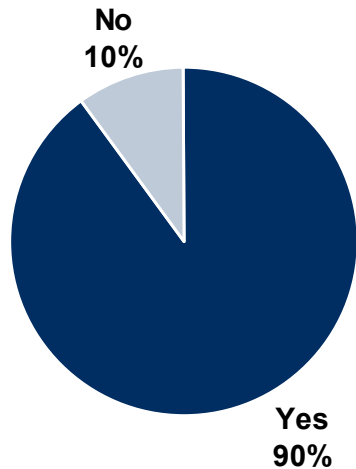
### Reported Change in Total Compensation from 2005 to 2006 Canada



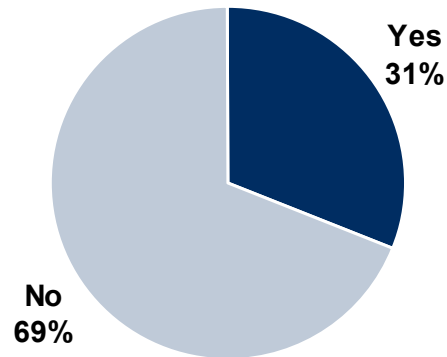
Q: How much did your total compensation increase or decrease from 2005 to 2006? Total compensation includes annual base salary rate, total cash bonus, and long-term incentives.

## Cash Bonuses and Long-Term Incentives Canada

**Eligible for a  
Cash Bonus in 2006**



**Long-Term Incentives  
Awarded in 2006**



Q: Were you eligible for a cash bonus in 2006?  
 Q: Which of the following long-term incentives were you awarded for the 2006 performance year? (Select all that apply): Share options, Restricted shares, Other long-term incentives, including mandatory deferred cash, phantom shares, performance units, and investment partnership payments, None of these.



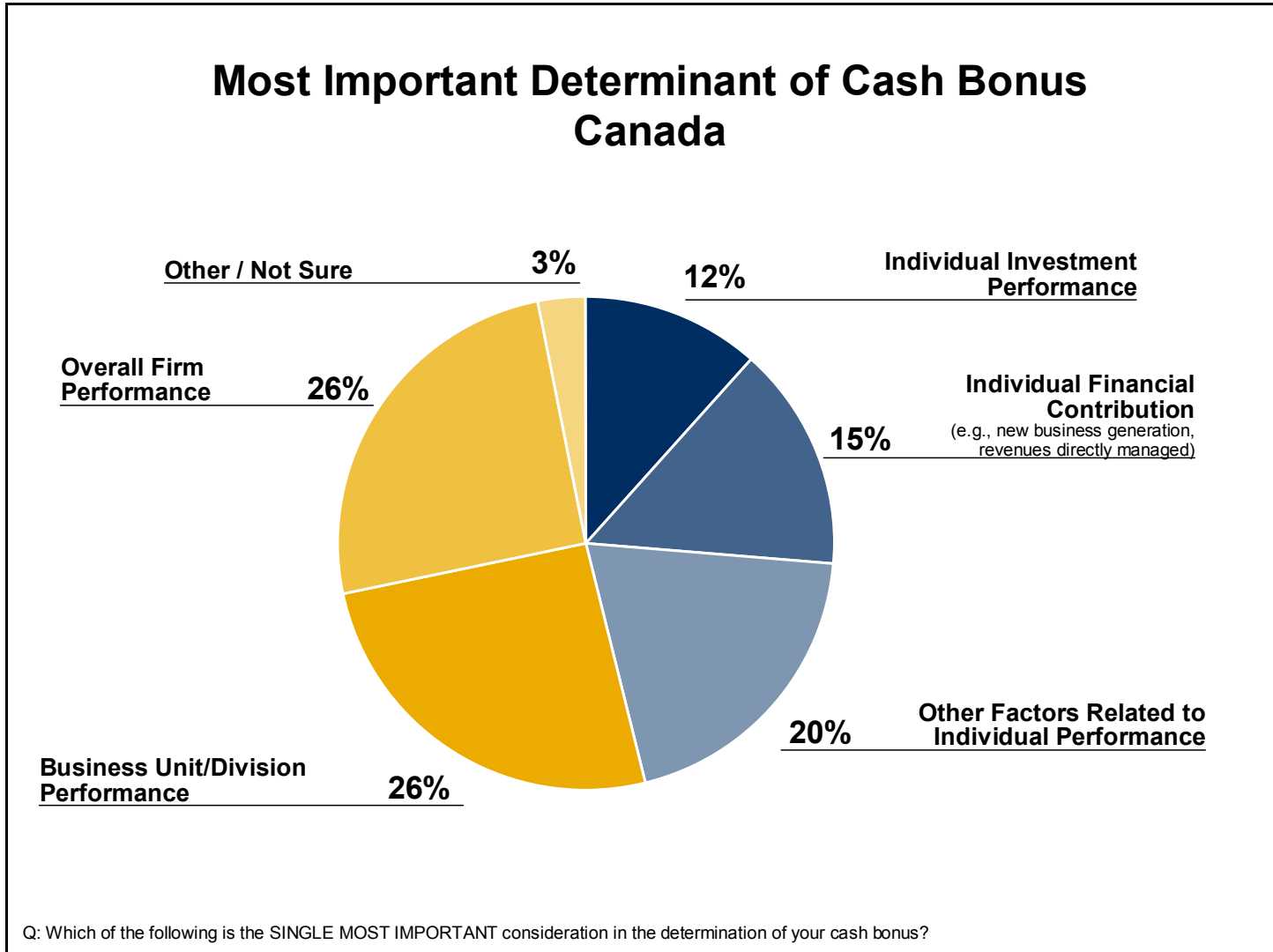
## Cash Bonuses and Long-Term Incentives

Cash bonuses are very common in almost all occupation types. The professors/lecturers in the sample were the least likely to say they were eligible for a bonus (8 percent). Financial advisors/brokers (64 percent), chief administrative officers/chief operating officers (70 percent), regulators (76 percent), and CEOs(81 percent) were also less likely to be eligible in for a bonus in 2006.

Long-term incentives appear to be more common in some occupations than others. More than half of CEOs, chief administrative officers/chief operating officers, portfolio managers (fixed income), and sell-side sales (equity) were awarded long-term incentives for the 2006 performance. No regulators or professors/lecturers were awarded long-term incentives.

Canada respondents	Eligible for a Bonus in 2006	Awarded Long-Term Incentives for 2006
Chief executive officer	81%	52%
Chief administrative officer / chief operating officer	70	60
Chief financial officer	89	33
Chief investment officer	86	36
Head of fixed income	100	50
Portfolio manager (equities)	91	48
Portfolio manager (fixed income)	98	52
Portfolio manager (quantitative)	100	50
Buy-side research analyst (equity)	93	21
Buy-side research analyst (fixed income)	100	18
Buy-side research analyst (quantitative)	90	10
Buy-side trader	96	29
Buy-side sales/marketing	93	50
Strategist	90	20
Manager of managers	94	16
Risk manager	92	21
Performance analyst	89	17

Canada respondents	Eligible for a Bonus in 2006	Awarded Long-Term Incentives for 2006
Financial advisor/broker	64%	30%
Private banker	88	19
Investment banker	100	36
Sell-side research analyst (equity)	100	34
Sell-side trader (equity)	89	33
Sell-side trader (fixed income)	95	40
Sell-side sales (equity)	100	54
Sell-side sales (fixed income)	100	29
Accountant/auditor	93	23
Actuary	90	28
Consultant	95	21
Credit analyst (rating)	94	19
Professor/lecturer	8	0
Regulator	76	0





## **Reported Compensation by Years of Experience for Selected Occupations**

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Median total compensation is correlated with years of experience. For all of the occupations included in this report, respondents with ten or more years of experience earn more than those with five to ten years of experience, who in turn earn more than those with less than five years of experience. A similar pattern is observed for median cash bonus among those eligible for a cash bonus in 2006.

At all levels of experience, investment bankers in the sample report the highest median total compensation, followed by portfolio managers (equities) and sell-side research analysts.

At less than ten years of experience, financial advisors/brokers in the sample report the lowest median total compensation, but at ten or more years of experience they earn more than the buy-side research analysts (equity) in the sample. Portfolio managers (fixed income and indexed/other) fall in the middle of the pack.

Similar to median total compensation, investment bankers in the sample report the highest median cash bonus at all levels of experience, followed by portfolio managers (equities) and sell-side research analysts. While portfolio managers (equities) and sell-side research analysts have the same median cash bonus at less than five years of experience, at more five years of experience the median cash bonus for sell-side research analysts is significantly higher than that for portfolio managers (equities). At all levels of experience, financial advisors/brokers report the lowest median cash bonus. The one exception is that buy-side research analysts (equity) report the lowest median cash bonus at five to ten years of experience.



## Reported Compensation by Years of Experience for Selected Occupations

Canada Reported <u>Median Total Compensation</u> by Years of Experience for Selected Occupations (in Canadian dollars)				
	Total	Less than 5 Years Experience	5 to Less than 10 Years Experience	10+ Years Experience
Portfolio manager (equities)	\$285,000	\$145,000	\$226,000	\$386,000
Portfolio manager (fixed income)	230,000		191,000	267,000
Portfolio manager (indexed/other)	168,000	105,000	153,000	229,000
Buy-side research analyst (equity)	135,000	123,000	162,000	179,000
Buy-side research analyst (fixed income)	110,000			
Financial advisor/broker	120,000	86,000	93,000	223,000
Investment banker	269,000	185,000	350,000	462,000
Sell-side research analyst (equity)	175,000	131,000	345,000	372,000

**Note:** Shaded areas indicate N sizes too small to report.

**Research Caveat:** The compensation data reported here are based on responding CFA Institute members and are not necessarily representative of the full CFA Institute membership or the population of investment professionals as a whole..



## Reported Compensation by Years of Experience for Selected Occupations

Canada Reported <u>Median Cash Bonus</u> by Years of Experience for Selected Occupations*				
<i>(in Canadian dollars)</i>				
	Total	Less than 5 Years Experience	5 to Less than 10 Years Experience	10+ Years Experience
Portfolio manager (equities)	\$100,000	\$45,000	\$100,000	\$111,000
Portfolio manager (fixed income)	70,000		65,000	80,000
Portfolio manager (indexed/other)	47,000	21,000	40,000	79,000
Buy-side research analyst (equity)	30,000	30,000	26,000	85,000
Buy-side research analyst (fixed income)	29,000			
Financial advisor/broker	24,000	6,000	30,000	39,000
Investment banker	180,000	105,000	250,000	317,000
Sell-side research analyst (equity)	78,000	45,000	215,000	300,000

**Note:** Shaded areas indicate N sizes too small to report.

\* Only those respondents who were eligible for a cash bonus in 2006 are included in this calculation.

**Research Caveat:** The compensation data reported here are based on responding CFA Institute members and are not necessarily representative of the full CFA Institute membership or the population of investment professionals as a whole.



## Components of Compensation by Occupation

The proportion of compensation accounted for by bonus varies widely by occupation. Bonus generally accounts for more than one-third of total compensation for executives (not including chief financial officer), portfolio managers, buy-side traders (equities), sell-side research analysts (equities) and sell-side traders (fixed income), and more than half of total compensation for investment bankers, sell-side research traders (equities), and sell-side sales positions. Bonus accounts for less than 20 percent of total compensation for occupations outside of investment management. For most occupations, long-term incentives account for less than 15 percent of total compensation. The two exceptions are CEOs (long-term incentives account for 26 percent of total compensation) and sell-side trader (fixed income) (17 percent).

Canada Components of Compensation by Occupation				
	N	Base Salary	Cash Bonus	Long-Term Incentives
<b>Executives/top management</b>				
Chief executive officer	31	40	34	26
Chief administrative Officer /chief operating officer	10	53	38	9
Chief financial officer	36	77	21	2
Chief investment officer	44	65	34	1
<b>Buy-side professionals</b>				
Head of fixed income	16	63	34	3
Portfolio manager (equities)	82	50	39	11
Portfolio manager (fixed income)	54	54	32	14
Portfolio manager (quantitative)	20	48	50	2
Portfolio manager (indexed/other)	191	64	33	3
Buy-side research analyst (equity)	97	74	22	4
Buy-side research analyst (fixed income)	22	82	18	0
Buy-side research analyst (quantitative)	20	70	27	3
Buy-side trader (equity)	11	59	41	0
Buy-side trader (fixed income)	12	76	24	0
Institutional sales representative/relationship manager	16	65	24	11
Strategist	10	82	17	1
Manager of managers	32	81	19	0

**Note:** This is a derived calculation based on median base salary, median total cash compensation, and median total compensation.



## Components of Compensation by Occupation

Canada Components of Compensation by Occupation				
	N	Base Salary	Cash Bonus	Long-Term Incentives
<b>Sell-side professionals</b>				
Financial advisor/broker	81	75	25	0
Private banker	16	78	22	0
Investment banker	88	37	63	0
Sell-side research analyst (equity)	86	54	45	1
Sell-side trader (equity)	18	28	71	1
Sell-side trader (fixed income)	20	37	46	17
Sell-side sales (equity)	25	18	77	5
Sell-side sales (fixed income)	17	40	60	0
<b>Other professionals</b>				
Performance analyst	21	80	20	0
Risk manager	52	81	18	1
Private client professional (other)	36	83	17	0
Accountant/auditor	87	88	12	0
Actuary	39	86	14	0
Consultant	121	84	14	2
Credit analyst (rating)	36	82	18	0
Professor/lecturer	12	100	0	0
Regulator	21	85	15	0

**Note:** This is a derived calculation based on median base salary, median total cash compensation, and median total compensation.



## Reported Compensation by Occupation and Organization

Within investment management firms, portfolio managers (equities) and portfolio managers (fixed income) with five to ten years of experience report comparable median total compensation. At ten or more year of experience, median total compensation is significantly higher for portfolio managers (equities).

<b>Canada Reported Median Total Compensation by Type of Occupation and Years of Experience: Investment Management Firms (in Canadian dollars)</b>				
	<b>Total</b>	<b>Less than 5 Years Experience</b>	<b>5 to Less than 10 Years Experience</b>	<b>10+ Years Experience</b>
Portfolio manager (equities)	308,000		\$230,000	432,000
Portfolio manager (fixed income)	231,000		226,000	298,000
Portfolio manager (indexed/other)	173,000	\$122,000	142,000	240,000
Buy-side research analyst (equity)	152,000	124,000	164,000	191,000

**Note:** Shaded areas indicate N sizes too small to report.

*Research Caveat:* The compensation data reported here are based on responding CFA Institute members and are not necessarily representative of the full CFA Institute membership or the population of investment professionals as a whole.



## Reported Compensation by Major Metropolitan Areas

Across years of experience, portfolio managers based in the Toronto metro area report the highest median total compensation, followed by those based in and around Montreal.

<b>Reported Median Total Compensation by Canadian Metropolitan Areas by Years of Experience: Portfolio Managers (in Canadian dollars)</b>				
	<b>Total</b>	<b>Less than 5 Years Experience</b>	<b>5 to Less than 10 Years Experience</b>	<b>10+ Years Experience</b>
Toronto	\$251,000	\$154,000	\$220,000	\$320,000
Montreal	223,000	125,000	181,000	300,000
Calgary	187,000			230,000
Vancouver	150,000		140,000	226,000

**Note:** Shaded areas indicate N sizes too small to report.

**Research Caveat:** The compensation data reported here are based on responding CFA Institute members and are not necessarily representative of the full CFA Institute membership or the population of investment professionals as a whole.



## Compensation Data in U.S. Dollars

Below are the compensation data tables reported in U.S. dollars. The exchange rate used is 0.8821, which is the average of the daily average Interbank Rate for the period 1 January 2006 through 31 December 2006, as reported on [www.oanda.com](http://www.oanda.com).

<b>Canada Reported <u>Median Total Compensation</u> by Years of Experience for Selected Occupations</b> <i>(in U.S. dollars)</i>				
	<b>Total</b>	<b>Less than 5 Years Experience</b>	<b>5 to Less than 10 Years Experience</b>	<b>10+ Years Experience</b>
Portfolio manager (equities)	\$251,000	\$128,000	\$200,000	\$340,000
Portfolio manager (fixed income)	202,000		168,000	236,000
Portfolio manager (indexed/other)	148,000	93,000	135,000	202,000
Buy-side research analyst (equity)	119,000	109,000	143,000	158,000
Buy-side research analyst (fixed income)	97,000			
Financial advisor/broker	106,000	76,000	82,000	196,000
Investment banker	237,000	163,000	309,000	408,000
Sell-side research analyst (equity)	154,000	116,000	304,000	328,000

**Note:** Shaded areas indicate N sizes too small to report.

**Research Caveat:** The compensation data reported here are based on responding CFA Institute members and are not necessarily representative of the full CFA Institute membership or the population of investment professionals as a whole..



## Compensation Data in U.S. Dollars

<b>Canada Reported <u>Median Cash Bonus</u> by Years of Experience for Selected Occupations*</b> <i>(in U.S. dollars)</i>				
	<b>Total</b>	<b>Less than 5 Years Experience</b>	<b>5 to Less than 10 Years Experience</b>	<b>10+ Years Experience</b>
Portfolio manager (equities)	\$88,000	\$40,000	\$88,000	\$98,000
Portfolio manager (fixed income)	62,000		57,000	71,000
Portfolio manager (indexed/other)	41,000	18,000	35,000	69,000
Buy-side research analyst (equity)	26,000	26,000	22,000	75,000
Buy-side research analyst (fixed income)	26,000			
Financial advisor/broker	21,000	5,000	26,000	34,000
Investment banker	159,000	93,000	221,000	280,000
Sell-side research analyst (equity)	69,000	40,000	190,000	265,000

**Note:** Shaded areas indicate N sizes too small to report.

\* Only those respondents who were eligible for a cash bonus in 2006 are included in this calculation.

**Research Caveat:** The compensation data reported here are based on responding CFA Institute members and are not necessarily representative of the full CFA Institute membership or the population of investment professionals as a whole.



## Compensation Data in U.S. Dollars

<b>Canada Reported Median Total Compensation by Type of Occupation and Years of Experience:            Investment Management Firms            (in U.S. dollars)</b>				
	<b>Total</b>	<b>Less than 5 Years Experience</b>	<b>5 to Less than 10 Years Experience</b>	<b>10+ Years Experience</b>
Portfolio manager (equities)	271,000		\$203,000	381,000
Portfolio manager (fixed income)	204,000		199,000	262,000
Portfolio manager (indexed/other)	153,000	\$107,000	125,000	212,000
Buy-side research analyst (equity)	134,000	109,000	144,000	168,000

**Note:** Shaded areas indicate N sizes too small to report.

**Research Caveat:** The compensation data reported here are based on responding CFA Institute members and are not necessarily representative of the full CFA Institute membership or the population of investment professionals as a whole.



## Compensation Data in U.S. Dollars

Reported Median Total Compensation by Canadian Metropolitan Areas by Years of Experience: Portfolio Managers (in U.S. dollars)				
	Total	Less than 5 Years Experience	5 to Less than 10 Years Experience	10+ Years Experience
Toronto	\$221,000	\$135,000	\$194,000	\$282,000
Montreal	197,000	110,000	160,000	265,000
Calgary	165,000			203,000
Vancouver	132,000		123,000	199,000

**Note:** Shaded areas indicate N sizes too small to report.

**Research Caveat:** The compensation data reported here are based on responding CFA Institute members and are not necessarily representative of the full CFA Institute membership or the population of investment professionals as a whole.



## **Appendix: Occupation Descriptions**



## **Appendix: Occupation Descriptions**

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Below is a full description of the occupations included in the 2007 Member Compensation Survey. Only selected occupations are included in this report. All occupations with enough respondents to report are included in the online searchable database.

Chief executive officer – The highest-ranking officer in an organization. The position having ultimate responsibility for the organization’s financial and strategic success.

Chief administrative officer/chief operating officer – Executive responsible for the organization’s administrative and operations functions. Oversees daily operations and typically reports to the CEO.

Chief financial officer – Executive responsible for managing the organization’s financial affairs, including accounting, tax, budgeting, treasury, etc. Typically reports to the CEO.

Chief investment officer – Executive responsible for the organization’s investment results. Oversees and directs all portfolio management, research, trading, and related investment functions. Typically reports to the CEO.

Head of equities – Executive having overall responsibility for the organization’s equity investment activities. Typically leads all equity-related functions/staff (e.g., portfolio management, research, trading, etc.).

Head of fixed income – Executive having overall responsibility for the organization’s fixed-income investment activities. Typically leads all fixed-income-related functions/staff (e.g., portfolio management, research, trading, etc.).

Performance analyst – Professional responsible for compiling and analyzing investment performance data. Results of analyses may be shared with management, clients, and/or pension consultants. Includes those who wrote in “performance analyst” at the “other-please specify” prompt.

Strategist – Helps define the organization’s overall investment strategy and/or asset allocation policies. Typically has extensive portfolio management experience but is not currently managing money.

Manager of managers – Professional who evaluates, selects, and tracks third-party investment managers.

Risk manager – Professional who focuses on monitoring and assessing the firm’s risk exposures (e.g., market risk, credit risk, operational risk) and on developing strategies to mitigate potential losses. Includes those who wrote in “risk manager” at the “other-please specify” prompt.



## Appendix: Occupation Descriptions

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### Portfolio manager includes:

Portfolio manager: equities (fundamental) – Portfolios/funds that consist largely of common shares issued by organizations. Investment approach focuses on analysis of individual securities’ financial performance, competitive advantage, quality of management, etc.

Portfolio manager: fixed income (fundamental) – Portfolios/funds that consist largely of fixed-income securities issued by organizations. Investment approach focuses on credit analysis and/or analysis of classes of securities, market trends, etc.

Portfolio manager: quantitative – Investment approach that seeks to maximize portfolio performance by using strategies that rely on mathematical models. Responsibilities include portfolio construction, monitoring, rebalancing, and model refinement.

Portfolio manager: indexed – Portfolios that are designed to replicate the performance of a specific index (e.g., MSCI, S&P 500).

Private client portfolio manager – Primarily responsible for managing individual and/or trust account assets and investment relationships

Portfolio manager: other – All other portfolio managers

### Buy-side research analyst includes:

Buy-side research analyst: equity – Buy-side analyst whose investment recommendations are primarily based on fundamental analysis of equity securities.

Buy-side research analyst: fixed income – Buy-side analyst whose investment recommendations are primarily based on fundamental and/or credit analysis of fixed-income securities.

Buy-side research analyst: quantitative – Buy-side analyst whose investment recommendations are primarily based on advanced mathematical/statistical models.

Buy-side research analyst: other – All other buy-side research analysts



## Appendix: Occupation Descriptions

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### Buy-side trader includes:

Buy-side trader: equity – Buy-side trader who is primarily responsible for buying and/or selling equity securities for the firm’s portfolio managers.

Buy-side trader: fixed income – Buy-side trader who is primarily responsible for buying and/or selling fixed-income securities for the firm’s portfolio managers.

Buy-side trader: other – All other buy-side traders

### Buy-side sales/marketing includes:

Institutional sales rep/relationship manager – Buy-side sales professional who is primarily responsible for marketing asset management services to institutional investors, such as pension funds, governments, unions, endowments, and foundations.

Wholesaler/intermediary sales rep – Buy-side sales professional who is primarily responsible for selling investment products through intermediaries (e.g., broker dealers, banks, financial planners).

Marketing manager – Professionals responsible for supporting the promotion and distribution of investment products. Responsibilities could include product management, market research, creative services, etc.

Buy-side sales/marketing: other – all other buy-side sales/marketing positions

### Sell-side research analyst includes:

Sell-side equity research analyst – Evaluates the earnings potential and prospective market value of publicly traded companies. Analyses are distributed to brokerage and/or banking clients.

Sell-side fixed-income research analyst – Evaluates the creditworthiness of debt issuers and the value of their outstanding debt. Analyses are distributed to brokerage and/or banking clients.

### Sell-side trader includes:

Sell-side equity trader – Trades equity securities as an agent or principal.

Sell-side fixed-income trader – Trades fixed-income securities as an agent or principal.



## Appendix: Occupation Descriptions

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### Sell-side sales includes:

Equity sales – Provides equity brokerage and investment research services to institutional clients (e.g., asset managers, hedge funds).

Fixed income sales – Provides fixed-income brokerage and investment research services to institutional clients (e.g., asset managers, hedge funds).

Financial advisor/broker – Primarily provides retail brokerage and financial advice to individual investors.

Private banker – Primarily provides investment management and related investment services (e.g., trust, deposit, credit) to individual investors.

Investment banker – Helps corporations, governments, and other institutions raise equity, issue debt, and/or complete mergers and acquisitions, private placements, restructurings, etc.

Private client professional: other – All private client professionals who did not classify themselves as a financial advisor/broker, private banker, or private client portfolio manager.

Accountant/auditor – Provides accounting, process control, and/or tax advice to corporations, governments, individuals, etc.

Actuary – Focuses on modeling, understanding, and quantifying the financial impact of various risks and uncertainties.

Consultant – Provides expert advice in a specific area, such as business strategy, marketing, financial management, information technology.

Credit analyst (rating) – Monitors debt issuer's creditworthiness and assigns ratings to specific financial instruments. Typically employed by a rating agency, such as Moody's Investor Service or Standard & Poor's.

Journalist – Gathers and distributes information through the media (e.g., newspaper, magazine, television, internet).

Professor/lecturer – Conducts lectures and seminars and performs research in a specific field of study.

Regulator – Establishes, monitors, reforms, and/or enforces industry regulations on behalf of an industry association or government body/agency.